83-#87-#11106

ASSESSMENT REPORT

GEOLOGICAL, GEOCHEMICAL AND TRENCHING REPORT ON THE ACAPULCO GROUP INCLUDING THE Acapulco Aca Pul Star Claims

DRYBROUGH PEAK AREA

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by

M.A. STAMMERS

LOCATION:

N.T.S. 94E/2W 57⁰12' N Latitude 126⁰57' W Longitude

OWNER/OPERATOR: SEREM LTD.

DATES WORK PERFORMED: From August 19 to September 13, 1982

DATE OF REPORT:

January 1983

M.A. STAMMERS.

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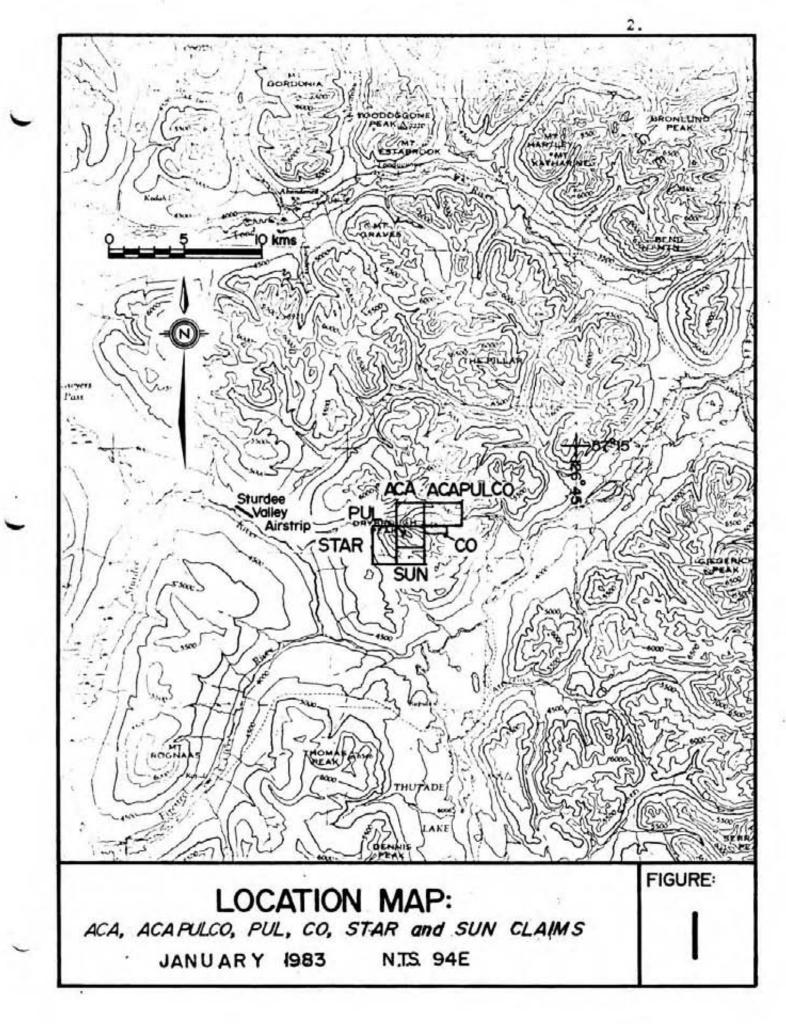
INTRODUCTION

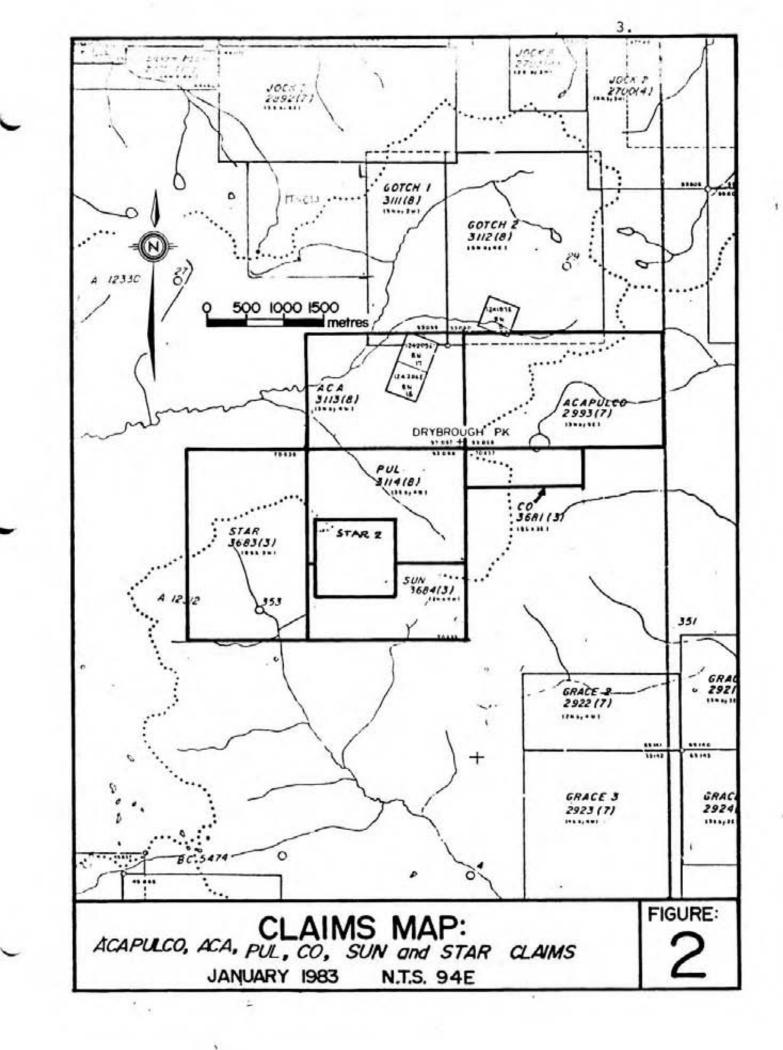
The Acapulco group of claims are located 264 kilometres north of Smithers, B.C. at latitude 57⁰12' north and longitude 126⁰57' west in the Drybrough Peak area, Toodoggone River map sheet (94E/2W), Omineca Mining Division (Figure 1). Access is by air from Smithers to Sturdee Airstrip and then by helicopter 6 kilometres to the property.

Elevations on the property range from 1400 metres to 2065 metres above sea level. Tree line is between 1520 metres and 1650 metres above sea level. Outcrop patterns are variable with best exposures along the steep mountain ridges and the poorest in drift-filled valleys below treeline.

The Acapulco group is owned and operated by Serem Ltd. and includes the Acapulco, Aca, Pul, Co, Sun and Star claims (Figure 2). Adjoining claims owned by Serem Ltd. include the Gotch 2 to the north and the Star 2 enclosed by the Sun and Pul claims.

Table 1 outlines claim information and summarizes the work performed on the claims during the 1982 field season:





	1	Claims Data	and Work P	erformed		
Claim Name	Acapulco	Aca	Pul	Sun	Co	Star
Record No.	2993	3113	3114	3684	3681	3683
No. of Units	15	12	12	8	3	15
Record Date	28.07.80	15.08.80	15.08.80	26.03.81	26.03.81	26.03.81
Expiry Date	28.07.83	15.08.83	15.08.83	26.03.84	26.03.83	26.03.84
Geol. Mapping @ 1:25,000	0.05 km^2	0.05 km^2	0.50 km ²	0.10 km ²	0.30 km ²	None
Geol. Mapping @ 1:2,000	None	None	0.90 km ²	0.45 km ²	None	0.90 km ²
Detailed Pros- pecting. Total area 6.25 km ²	Yes	Yes	Yes	Yes	Yes	Yes
Rock Samples Grab & Chip Sampling	2	0	2	12	0	7
Soil Samples (Gold-Silver)	0	0	0	0	0	12
Trenching	None	None	None	None	None	1 trench 5m ³

Table 1. Acapulco Group Claims Data and Work Performed

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Previous assessment work performed by Serem Ltd. in 1980 and 1981 includes geochemical and prospecting surveys.

The purpose of the 1982 program was to evaluate known mineral occurrences and to map and prospect in detail those occurrences with respect to the general geological setting.

Past work by others in the immediate area has focused on copper-molybdenum mineralization.

Current exploration by Serem Ltd. and others in the Toodoggone area is concerned with precious metal (goldsilver) mineralization.

GEOLOGY

Major emphasis was placed on geological mapping of the Acapulco group of claims during the 1982 field season. Detailed geological mapping of the limestone-skarn-intrusive contact area is displayed in Figure 4. Figure 3 summarizes the general geology of the claims area.

Principal lithologies considered include limestone, marble, skarn, gabbro and granodiorite to quartz monzonite.

Permian Asitka group limestone outcrops extensively along the ridge to the southwest of Drybrough Peak. The limestone is very massive, finely to coarsely recrystallized, and weathers very light grey.

Continuous reaction of the limestone by contact metar morphic and metasomatic processes has led to the formation of variably composed marble and skarn lithologies.

6. 2 capuloo (N Drybrough Peol ACA CO 000 D. TRENCH 82 MB PU SUN STAR EUU GENERAL GEOLOGY SCALE: 1:25,000 250 500 750 1000 ACAPULCO GROUP OF CLAIMS metres FIGURE ROCK ASSAY PERMIAN TRIASSIC JURASSIC SILVER alfor ASITKA GP. 2 TAKLA GP. 3 OMINECA GP. 3 NTS 94E Limestone Basalt Intrusion January 83

The marble unit varies from pale green-grey to medium green or grey with local salmon pink colouration. Marble grades into and is intimately interbedded with varying skarn lithologies and recrystallized limestone.

Skarn is found throughout the property in general proximity to either the main intrusive body or its related sills and dykes. Skarn composition varies over the Acapulco group from a 'low grade' wollastonite-diopsidecalcite skarn to a 'high grade' garnet-diopside member. The lower grade material comprises the majority of the skarn while garnet-diopside skarn is restricted to smaller, isolated pockets.

Chalcopyrite, bornite, malachite, galena, sphalerite, pyrrhotite, magnetite and pyrite mineralization is hosted by both skarn types.

A 5 to 10-metre wide sill-like body of hornblendepyroxene-gabbro outcrops in a linear fashion along the 1800-metre contour. This dark green, coarsely crystalline gabbro cross-cuts the limestone and may represent late stage dyking off the main Omineca intrusion. Rocks of the main Omineca intrusion have been assigned to the Lower Jurassic period and include many mappable dykes and sills. Composition ranges from quartz monzonite to granodiorite. Textures range from fine-grained aphanitic to coarsegrained pegmatitic. Alteration assemblages include prophylitic and argillic. Rare copper-chalcopyrite and molybdenite is associated within the intrusive complex.

The structural geology of the area is characterized by modest fracturing of the limestone that most likely occurred during the intrusive events, minor faulting, and probable gross deformation (folding, faulting) of the limestone unit.

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Subvertical fracturing in the 110^o-160^o directions appears to be the principal controlling conduit for skarnification. Due to the massive nature of the limestone, the role bedding plays in skarn morphology is minimized.

MINERALIZATION

Mineralization discovered to date is highly erratic with regard to type and grade. The size of the mineralized showings is also limited to well below sub-economic dimensions. Samples were assayed for gold-silver only. Table 2 lists assay results with occurrence definition.

Copper

Copper occurs as chalcopyrite, bornite, tetrahedrite and malachite mineralization and is found in skarn and vein type showings. Precious metal values of up to 4.4 oz/ton silver and 0.06 oz/ton gold are association with copper mineralization. No copper analyses were made.

Lead-Zinc

Galena, skarn-type, mineralization is the most common mineralization found on the property. Associated precious metal values are low to absent, with no gold values reported from galena-only bearing skarns. Lesser amounts of sphalerite are associated with some of the lead-bearing skarns.

Iron

Only two occurrences of iron-bearning skarns have been located to date. The most important, a magnetite-bearing skarn with associated gold values, is described separately in the "Trenching Report" section that follows. A second float occurrence of pyrrhotite-bearing skarn returned 0.05 oz/ton gold.

Tag No.	Claim Name	Samp	le No.	Mineral	s/+0ccurrence	Silver Oz/t	Gold on
18219	Sun	MB 1	3 82	сру	/vn	4.2	0.03
18220	Sun	MB 1	4 82	po	/sk (f)	0.3	0.05
18221	Sun	MB 1	0 82	ga	/sk	1.0	<.01
18222	Sun	MB 1	2 82	ga	/sk	<.1	<.01
18223	Pul	MB	1 82	ga, cpy	/sk	4.2	<.01
18224	Pul	MB	2 82	ga, cpy	/sk	2.2	<.01
18225	Star	MB	4 82	ga, cpy	/sk	4.4	<.01
18226	Sun	MB	6 82	ga, cpy	/sk	1.5	<.01
18227	Sun	MB	7 82	tth,bor	/vn	3.7	0.06
18228	Sun	MB	8 82	ga	/sk	1.5	<.01
18229	Sun	MB	9 82	ga	/sk	1.4	<.01
18230	Sun	MB 1	4 82	ga	/sk	1.2	<.01
18231	Sun	MB 1	5 82	tth,cpy	/sk	2.0	<.01
18232	Star	MB 1	6 82	mag, cpy	/sk	2.4	0.38
18233	Sun	MB 1	8 82	ga	/sk	1.5	<.01
18234	Sun	MB 1	9 82	ga	/sk	2.5	<.01
4551	Acapulco	DP	1 82	сру	/vn	3.6	0.03
4552	Acapulco	DP	2 82	cpy	/vn	2.4	0.02
Explanat	ion: Minera	ls		<u>+</u>	Occurrence		

Table 2. Acapulco Group List of Assays

 cpy - chalcopyrite
 sk - skarn

 po - pyrrhotite
 vn - vein

 ga - galena
 (f) - float

 mag - magnetite

tth - tetrahedrite

bor - bornite

TRENCHING REPORT

Hand trenching and chip channel sampling was carried out over the central Star claim area in response to favourable gold and silver values obtained from an earlier outcrop grab sample (see Figure 4).

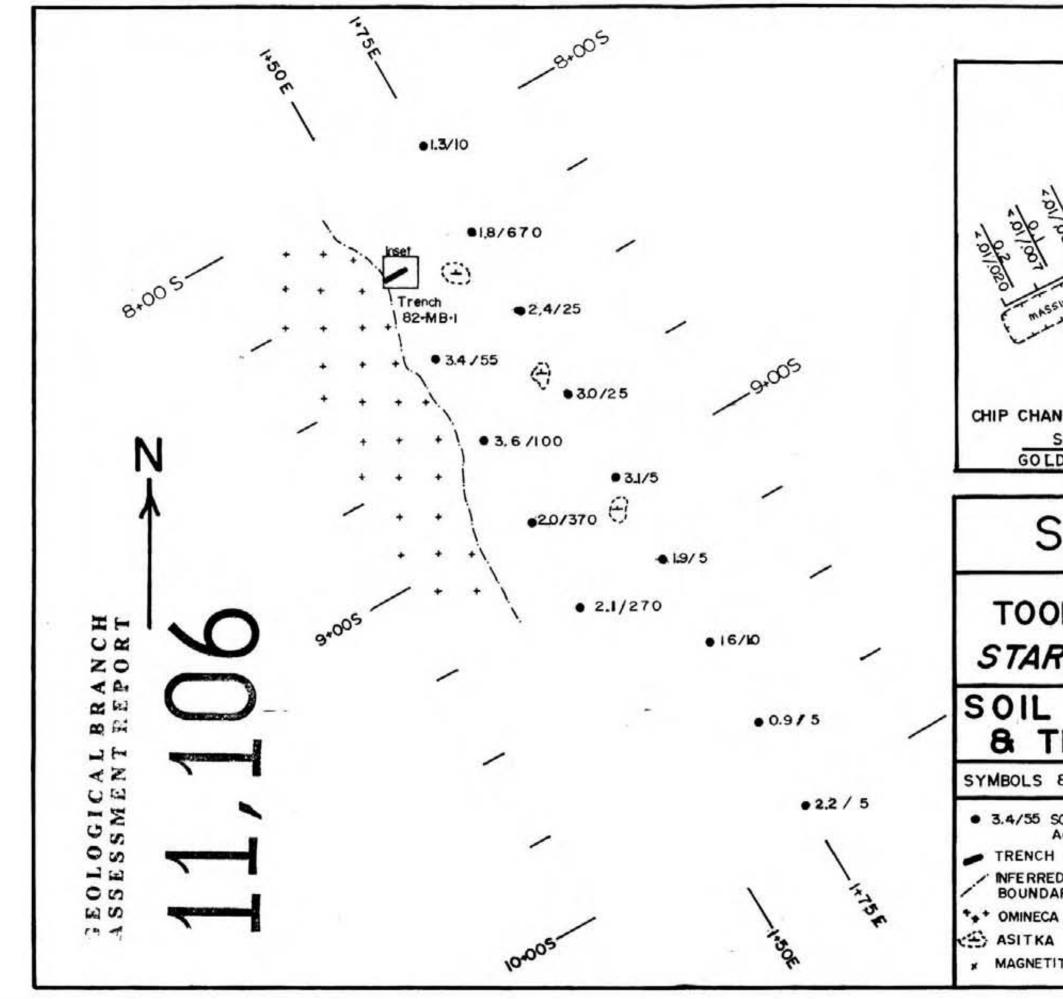
The trench 82-MB 1, trends approximately 240° for 6 metres down a gentle slope and is approximately 1 metre wide by 1 metre deep on average. Overburden was removed and good bedrock exposed over the length of the trench. Refer to Figure 5, or Table 3, for trench sample results.

Trenching exposed a minimum of 5 metres of massive magnetite mineralization containing occasional chalcopyrite and malachite. The upslope contact (northeast) is open and more magnetite mineralization can be expected here. The downslope (southwest) end of the trench contains highly weathered and altered granodiorite of the main Omineca intrusion.

Assay results from the initial grab sample are encouraging - 2.4 oz/ton silver and 0.38 oz/ton gold. Subsequent trench sampling failed to reveal the source of the gold. Further trenching is required.

Table	3. Magnetite Showings (Star Claim)				
	Trench M	B l, Chip Channel Samples			
Tag No.	Interval (metres)	Silver (Oz/ton)	Gold (Oz/ton)	Re-run Gold (Oz/ton)	
4553	0 - 1	0.2	<.01	.008	
4554	1 - 2	0.1	4.01	.002	
4555	2 - 3	0.1	<.01	.002	
4556	3 - 4	0.1	<.01	.007	
4557	4 - 5	0.2	<.01	.020	

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TRENCH 82 MB.	' N ↑		
NNEL SAMPLE RES SILVER Oz D/GOLD RERUNS	ULTS ↓ ↓Ton	100 m.	
SEREN	1 L'	TD.	
DOGGONE ? <i>CLAIMS</i> ,	D OF STARS	1	
GEOCHEN			
& LITHOLOGY	SCALE	E 1:19	000
SOIL SAMPLE SITE Ag PPM/Au PPB 82 · MB · 1 D GEOLOGICAL ARY A INTRUSIVE ROCKS LIMESTONE TE FLOAT	REFER	20 30 METRES TO FIGUR OST LOCA DATE: JAN. 1983	E 3 FOR

GEOCHEMICAL SURVEY

A total of 12 soil samples were taken at 25-metre intervals on 2 lines spaced 25 metres apart. This small grid is a south extension of a larger grid established in 1981 and reported upon in March 1982. Topofil and compass were used for distance and direction control. All sample sites were flagged with the grid coordinates. Soil from "B horizon" levels was placed in Kraft envelopes and sent to Min-En Laboratories in North Vancouver, B.C. for analysis for gold and silver.

GEOCHEMICAL ANALYSIS

The analytical procedure for gold and silver is briefly described below:

The soil samples are dried at 95°C and screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis.

For gold, a suitable sample, weight 5 or 10 grams, is pretreated with HNO3 and HClO4 mixture.

After pretreatment, the samples are digested with Aqua Regia solution, and after digestion the samples are taken up with 25% HCl to suitable volume.

Sample solutions are prepared with Methyl Iso-Butyl Ketone for the extraction of gold.

With a set of suitable standard solutions, gold is analysed by Atomic Absorption instruments. The obtained detection limit is 5 ppb.

For silver, samples weighing 1.0 gram are digested for 6 hours with HNO₃ and HClO₄ mixture.

After cooling, the samples are diluted to standard volume. The solutions are analysed by Atomic Absorption Spectrophotometers using the CH₂H₂-Air Flame combination for silver.

RESULTS OF GEOCHEMICAL SURVEY

Results of the soil sampling survey are encouraging. Six of the twelve samples returned values anomalous in gold (>50 ppb) and four in silver (>3 ppm). These results correspond well with float occurrences of massive magnetite that extend for at least 100 metres along the intrusive/ limestone contact.

CONCLUSIONS

Favourable soil geochemistry and significant goldsilver values in copper-iron mineralized skarns are found over certain areas of the Acapulco group of claims. Chalcopyrite, bornite, malachite, galena, sphalerite, magnetite and pyrrhotite mineralization with associated anomalous values of gold and silver occur in narrow veins and more commonly in irregular-shaped skarn bodies along the limestone-intrusive contact area. The mineralization ranges from weakly disseminated to more massive occurrences of galena, magnetite and chalcopyrite/bornite.

Despite the current inconsistent, low precious metal grades and small size of the showings, retention of significant portions of the Acapulco group is recommended.

RECOMMENDATIONS

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The potential for economic, limited tonnage goldsilver deposits is listed as fair for the Acapulco group of claims. With regard to this, the following preliminary recommendations are made:

- Further trenching and chip sampling should be carried out on the Star magnetite showings in an attempt to isolate gold mineralization in outcrop.
- (2) Additional trenching and sampling may be carried out over a gold soil anomaly located at 0+00S, 1+50E.
- (3) Three soil lines: 1+00E, 1+50E and 2+00E, should be extended to the south southeast to about 15+00S with a 50-metre sampling interval.

Male

CERTIFICATE OF QUALIFICATIONS

I, MICHAEL A. STAMMERS, of Port Coquitlam, British Columbia, certify that:

- I am a geologist employed by Serem Ltd. of 300 535 Thurlow Street, Vancouver, B.C.
- I hold a B.A. degree in geology and geography from McMaster University, Hamilton, Ontario.
- I have worked in geology and mineral exploration for 9 years.
- The field work described in this report was carried out under my supervision.
- I have no financial interest in the claims covered by this report or in Serem Ltd.

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Vancouver, B.C.

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Michael A. Stammers, Geologist. STATEMENT OF EXPENDITURES A. PHYSICAL WORK

Wages - Field P. Newman Hand Trencher Sept. 5/82 1 day @ \$106 x 1.55* \$164.30 Geologist/Supervision Sept. 5/82 M. Stammers 1 day @ \$137.50 x 1.55 213.13 - Office (Report Preparation) M. Stammers Geologist Dec. 13/82 ½ day @ \$137.50 x 1.35 \$ 92.81 \$ 470.24 \$ 104.00 2 mandays @ \$52/day Room and Board Transportation Helicopter: 0.6 hrs @ \$400/hr \$240.00 0.6 hrs @ \$4.23/gal x 30 gal/hr 76.14 Fuel: \$ 316.14 \$ 890.38 TOTAL PHYSICAL _ * Note: Denotes true cost factor of overtime, benefits and administration.

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STATEMENT OF EXPENDITURES

C. GEOLOGICAL, GEOCHEMICAL WORK

Wages - Field

M. Stammers	Geologist Aug. 19,20,22,25,28,29/ Sept. 3,4,8,13/82 8½ days @ \$137.50 x 1.55*	82 \$1,811.56	
P. Newman	Prospector/Sampler Aug. 20-22,25,28,29/82 Sept. 3,4,8/82 8½ days @ \$106.00 x 1.55	\$1,396.55	
M. Vulimiri	Geologist Aug. 25, Sept. 5/82 2 days @ \$150.00 x 1.55	\$ 465.00	
D. Dolsen	Prospector/Sampler Sept. 13/82 ½ day @ \$106.00 x 1.55	\$ 82.15	
S. Crawford	Geologist Aug. 19/82 1 day @ \$120.00 x 1.55	\$_186.00	\$3,941.26
- Office	(Report Preparation)		
M. Stammers	Geologist Dec. 13-17/82 4½ days @ \$137.50 x 1.35	\$ 835.31	
Secretarial/	Printing/Drafting	\$ <u>150.00</u>	\$ 985.31
			\$4,926.57
Room and Board	21 mandays @ \$52/day		\$1,092.00
Transportation			
Helicopter Fuel	6.9 hrs @ \$400/hr 6.9 hrs @ \$4.23/gal x 30 gal/hr	\$2,760.00 \$ 875.61	\$3,635.61
Analysis	12 @ \$7.85 (gold, silver)		\$ 94.20
Assays	23 @ \$15.00 (gold, silver) 5 @ \$ 9.00 (gold re-runs)	\$ 345.00 \$ <u>45.00</u>	\$ 390.00
	TOTAL		\$10,138.38

* Note: Denotes true cost factor of overtime, benefits and administration.

